

# **MINING IN KAKADU**

*Lessons from Coronation Hill*

Clive Hamilton

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## *Lessons from Coronation Hill*

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## 1. Introduction<sup>1</sup>

The announcement that the Coalition Government is in favour of opening a new mine at Jabiluka, a mineral lease surrounded by Kakadu National Park, induced in many people a potent sense of *deja vu*. The issues involved are very similar to those that surrounded the bitter controversy over the proposed mine at Coronation Hill.

Coronation Hill – known as Guratba to the traditional owners, the Jawoyn people – lay in an area excised from Kakadu National Park known as the Conservation Zone (see Map 1). In the 1950s uranium had been mined from a small pit towards the top of the hill. A joint venture of mining companies sought approval to mine Coronation Hill for gold, platinum and palladium in an operation that would have meant the excavation of a large proportion of the hill. Serious concerns were raised by conservationists about the environmental impact of the proposed mine on both the immediate area and the Park as a whole. Moreover, the area had been registered as a sacred site in October 1985. Guratba is of significance to the Jawoyn as a resting place of Bula, the ancestral being of the Creation era with whom Jawoyn people feel physically and morally identified.

The Hawke Labor Government referred the issue to the newly formed Resource Assessment Commission (RAC) in April 1990 and the Commission delivered its report one year later.

In this paper, I would like to deal with three sets of issues that are common to the Coronation Hill and Jabiluka proposals – the impacts of mining on the natural environment, the impacts of mining on Aboriginal people, and the economic implications of mining. These cover the most important arguments addressed by the Resource Assessment Commission, and would undoubtedly be among the most important issues dealt with by a similar inquiry into the proposed new mine at Jabiluka. It is worth noting that while environmental issues were at the forefront in motivating the RAC Inquiry, it was the Aboriginal issues that were in the end critical. I will not consider the environmental complications introduced by the fact that the Jabiluka mine is a uranium mine.

The bitterness of the dispute over mining at Coronation Hill reflects sharply divergent worldviews of the protagonists, a difference that was particularly evident in the arguments over the integrity of the national park and the importance that should be attached to the Bula beliefs of the Jawoyn. The two worldviews are essentially irreconcilable.

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<sup>1</sup> I would like to acknowledge the excellent support provided by Carol Kenchington and Brian Murray of the Parliamentary Library.

## 1. Introduction<sup>2</sup>

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## 2. Environmental impacts

The principal concern that led to the Resource Assessment Commission Inquiry was the potential impact of the proposed mine at Coronation Hill on the natural environment of the Conservation Zone and the Park as a whole. The concerns related to disturbance at the site itself, dust from mining operations, sediment finding its way

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into the South Alligator River system, seepage or water release from the dams, and transport accidents involving diesel fuel and toxic chemicals. There was concern about the impacts of these on ecosystem processes and on certain rare and endangered species found in the area, especially the pig-nosed turtle.

The Inquiry undertook extensive assessment of the environmental values of the Conservation Zone and the likely impacts of the proposed mine on them, and arrived at the following conclusion:

... the existing evidence suggests that a single mine development, properly managed and monitored, would have a very small impact on the known biological resources, archaeological values, and the recreation and tourism values of the Zone. There remain, however, a number of environmental issues that the Inquiry believes would be of concern if a single mine were permitted (RAC 1991a, p. 241).

These remaining environmental issues are then described in the Report. They are not straightforward in meaning or interpretation, but they are likely to arise in any inquiry into mining at Jabiluka. They are:

- the impact of a mine on future World Heritage listing;
- the incompleteness of biological information on the Zone; and
- the small but non-zero threat posed by the mine development to the aquatic ecosystems of the South Alligator River.

There is one additional environmental issue, and it is probably the most significant of all. The Commission grappled with it, wrote about it, it but ultimately could not satisfactorily define it. It is stated most clearly in the Report in the following words:

The existence of the Ranger uranium mine in the northern part of Kakadu notwithstanding, many would perceive the commencement of mining in the Conservation Zone as challenging the notion of ecological integrity and preservation that underlies the concept of national parks, and Kakadu National Park in particular (RAC 1991a, p. 242).

The idea of the integrity of the Park underlay much of the deliberation. It was argued by several parties that the integrity of the Park would be compromised by any mining in the Conservation Zone, even if it could be shown that any specific ecological impact would be very small. The notion of the integrity of the Park is something that cannot be measured or proved one way or another; as the quotation above indicates it is a 'perception' that some people have. Constrained by a somewhat mechanistic approach to the question, the Commission decided to interpret it as 'ecological integrity', a concept that focuses on the complexity of physical interrelationships within ecosystems. But the concept of the integrity of the Park is more of an ethical one than a scientific one, although scientific demonstration of ecosystem integrity may contribute to some people's perceptions of ethical integrity.

The findings of the Inquiry with respect to environmental issues have a great deal of relevance to the proposed mine at Jabiluka. The proposal by Energy Resources of Australia Ltd (ERA) is for an underground mine from which ore will be trucked 22.5 km on a new and dedicated haul road to the existing Ranger mill for processing. The road will not pass through the Park and tailings will be placed in the Ranger open pits (ERA 1996a). The developer claims that no water will be released from the site and the mine will be ‘tucked behind the hills, out of sight of the Magela Wetlands and the tourist road’ (ERA 1996b).

Every proposal to mine in an environmentally sensitive area raises some significant concerns that warrant investigation. Apart from the issues relating to the uranium fuel cycle, the ecological issues of the proposed Jabiluka mine include:

- dust and disturbance caused by haulage of ore and the risks of spills from transport accidents;
- increased human impacts on and around the site; and
- the cumulative risks of spillages, leakages and unavoidable releases from tailings dams at Ranger.

On the basis of the available information (and in the absence of detailed environmental impact assessment), I think it would probably be true to say that the impacts of the proposed Jabiluka mine on the environment of Kakadu may be less significant than those of the proposed Coronation Hill mine. However, the key to the environmental issues of Jabiluka is the question of the integrity of Kakadu National Park. As I have suggested, this is an issue that cannot be resolved by any amount of study: people either believe that national parks, and especially Kakadu, are sacrosanct and therefore are violated by mining development, or they do not.

As a rule, environmentalists believe that parks are sacrosanct. But what do the public think? Here, the RAC Inquiry revealed a great deal of valuable information. The Inquiry commissioned AGB-McNair to carry out a thorough assessment of public opinion concerning the environment and mining in national parks, information that bears directly on the question of the integrity of national parks (Imber *et al.* 1991, Table 5.10). Some of the results are reported in Table 1.

- When asked whether mining in national parks greatly reduces their value, 61 per cent agreed or strongly agreed while 23 per cent disagreed or strongly disagreed.
- When asked whether development should be allowed to proceed where environmental damage from activities such as mining is possible but very unlikely, 46 per cent disagreed or strongly disagreed while 33 per cent agreed or strongly agreed.
- When asked whether jobs are the most important consideration in deciding how to use natural resources, only 23 per cent agreed or strongly agreed, while 51 per cent disagreed or strongly disagreed. This response was all the more remarkable because the survey was carried out at the bottom of a recession.

- Finally, when asked whether, in deciding how to use areas like Kakadu, their importance to local Aboriginal people should be a major factor, 57 percent agreed or strongly agreed while 20 per cent disagreed or strongly disagreed.

The decision by the Hawke Government to prohibit mining at Coronation Hill had strong public support. The Prime Minister was well aware of the results of the survey. If there were a prolonged dispute over mining at Jabiluka, there is little doubt that a sizeable majority of the Australian public would be opposed to the development.

**Table 1 Public attitudes to mining in national parks**

	Strongly disagree	Disagree	Neither	Agree	Strongly agree
If areas within national parks are set aside for development projects such as mining, the value of the parks are greatly reduced	10	13	17	23	38
Development should be allowed to proceed where environmental damage from activities such as mining is possible but very unlikely	26	20	20	18	15
Jobs are the most important thing in deciding how to best use our natural resources such as mineral deposits and forests	26	25	26	11	12
In deciding how to use areas like Kakadu, their importance to the local Aboriginal people should be a major factor	9	11	24	26	31

*Source:* Imber *et al.* 1991, Table 5.10

### **3. Impacts on Aboriginal people**

When white and Aboriginal Australians meet over resource use issues, there are often dramatic differences in perceptions of appropriate negotiation and decision making procedures. This has certainly been true of the disputes over Coronation Hill and Jabiluka. White Australians often become frustrated and impatient, believing that they have consulted thoroughly yet cannot get a timely and unambiguous answer to the key questions from traditional owners.

I believe that in its Inquiry the Commission's dealings with the Jawoyn and other Aboriginal people were carried out with sensitivity to different cultural norms and processes of decision making. It was careful in its approach to questions of meeting process, timing, and determining who spoke for the Jawoyn. A precedent had been set by the Fox Inquiry into the Ranger uranium mine, which reported in 1977. It noted that rapid social change was 'causing a great deal of concern and difficulty for the people'.

They feel the pressures of the white man's activities in relation to their land. In the face of mining exploration, and the threat of much further development, they feel helpless and lost. ... They feel harassed by all the people who have descended upon them in recent times in connection with mining proposals. Their custom is to arrive at important decisions after long deliberation among themselves, sometimes over a period of months or even years (Fox *et al.* 1977, p. 46).

The Fox report quoted Mr Silas Robert, then chairman of the Northern Land Council, in a statement that has great force and relevance to the question of mining at Jabiluka.

We see white men as always pushing. We know white men think differently from us, and they are not all bad. But even this Commission is pushing in its own way. ... Our people are not as free to make decisions and give evidence as white men seem to be. If you add to this that most Aborigines are very frightened of white men; you will have a lot of trouble getting straight talk from Aboriginal people and you will have a lot of trouble getting them to come back to give evidence more than once. ... We have got to make decisions in respect to land our own way.

It is a long hard road to final answer. Sometimes a person or group will say 'yes' then talk a little bit more and then say 'no'. Then more talk might take place after a few months and still no final answer. Then all the people who really belong to that country will go over it again until everyone is sure of his answer and then the answer is given. That may be years after the first talks if the question is a hard one (quoted in Fox *et al.* 1977, p. 47).

In the end, the decision on mining at Coronation Hill hinged on the likely impact of the decision on the 300 or so Jawoyn people who claimed traditional ownership of the land that included the Conservation Zone. From this perspective, the most important feature of Coronation Hill was that it is a registered sacred site. Although the proposed Jabiluka mine does not impinge on a registered sacred site, many of the issues of process raised in the RAC Inquiry have a direct bearing on the decision over Jabiluka.

After exhaustive investigation of the issues, the Commission came to following conclusions about the implications of the proposed mine for the Jawoyn people.

If mining proceeds in the Zone it will be against the wishes of the senior Jawoyn men, who are supported in their view by many Jawoyn people

and other senior Aboriginal people in the Region; further, mining will adversely affect the ability of Jawoyn people, particularly the senior men, to sustain cultural and religious values, beliefs and practices that are important to them (RAC 1991a, p. xxii).

These conclusions were reached after extensive consultation with the Jawoyn and consideration of a number of expert reports. Several arguments were used by the mining industry and its supporters (including the Institute of Public Affairs which appeared to be acting as the research arm of the mining industry) in an attempt to undermine and discredit the position developed by the Commission in its draft and final reports. Some of these have direct relevance to Aboriginal interests in the proposed mine at Jabiluka.

First, it was argued that the Jawoyn were not capable of making decisions in their own interests. The Northern Territory Government expressed the view that 'the Jawoyn have neither developed the decision-making structures to develop their own community objectives, nor received the information required to make decisions on this issue' (quoted in RAC 1991a, p. 159).

Secondly, it was argued by the Joint Venture that the Jawoyn are not the traditional custodians of the Conservation Zone but were expanding their claims to fill a 'deceased estate'. It was argued that they were creating new sacred sites, inventing new prohibitions on behaviour in the area, and incorporating the area into songs and ceremonies in order to mark it out as their territory (RAC 1991a, p. 161; see also Howard 1991, p. 16). It was argued that the Bula beliefs relating to the Conservation Zone were no more than ten years old (Brunton 1991a, p. 6). The Joint Venture suggested that the 'elaboration' of religious beliefs by the Jawoyn was motivated by 'land ownership ambitions' (RAC 1991a, p. 168). At the same time, it was argued that the 'Bula cult' 'is more of an archaeological relic than the stuff of a living religion' (RAC 1991a, p. 174).

Thirdly, the Joint Venture submitted that the Jawoyn's religious beliefs are 'infinitely flexible' and that therefore their opposition to mining may not be permanent (RAC 1991a, p. 156). The Inquiry acknowledged that the views of Aboriginal people could change, but that no-one could do more than speculate on how they might change (RAC 1991a, p. 156).

Next, it was suggested that the Jawoyn were subjected to 'illegitimate pressures' by opponents of mining in order to 'bring the custodians to their present anti-mining view' (Brunton 1991b, p. 1).

Fifthly, much was made of the fact that on previous occasions two of the three senior custodians (Peter Jatbula, Sandy Barraway and Nipper Brown Daypilama) had apparently expressed support for the mine and indicated that Coronation Hill was not a sacred site, and that therefore their present opposition to mining should not be taken to be the final word on the matter. After reviewing the circumstances, the Inquiry took the view that 'these contradictory statements made in the past should not be interpreted as detracting from the present strength of the views held by the senior custodians', that is, their unequivocal opposition to mining (RAC 1991a, p. 181).

Sixthly, it was pointed out that some Jawoyn people were in favour of development of the mine. The Inquiry reported that those who spoke in favour of mining at its hearings nevertheless agreed that Jatbula, Barraway and Brown had the primary right to speak about mining (RAC 1991a, p. 176).<sup>3</sup> The Inquiry noted that although the evidence suggested that a democratic process would have seen a majority of Jawoyn opposed to mining, ‘responsibility for religious sites and the authority to speak about them rests with the recognised custodians’ (RAC 1991a, p. 178).

Finally, it was suggested that if mining were permitted then the apocalyptic consequences of disturbing Bula anticipated by some Jawoyn would prove to be false, and the Jawoyn would learn the error of their religious belief in Bula (see Brunton 1991a, p. 12). The Australian Mining Industry Council chastised the Commission for failing in its draft report to recommend to the Government mechanisms for ‘educating the Jawoyn on the fallacy of some of their mythological beliefs’ (quoted in RAC 1991a, p. 183).

Some commentators at the time expressed the view that it would be absurd to allow religious beliefs to stand in the way of progress. In an article in *The Canberra Times* shortly after the release of the Commission’s draft report, one academic commentator described the spiritual beliefs of the Jawoyn people as fantasy, mumbo-jumbo, nonsense, garbage and primitive superstition. He went on to argue that:

It is the business of intelligent and enlightened persons not to truckle to fantasy, stupidity and claptrap. ... It took over a century for the inimical gibberings of the witch cult to cease influencing European thought and action. How long before we in Australia rid ourselves of the burden of primitive superstition? (Bill Mandle, *The Canberra Times*, 13 February 1991)

The Commission considered all of these views in its report, but concluded that none of them was sufficient to alter its fundamental conclusion quoted above.

In the knowledge of these arguments put forward by the mining industry and its supporters only five years ago – that the Jawoyn were incapable of making a decision, had no claim to the land in question, invented religious beliefs to pursue territorial ambitions, were pressured by outsiders into an anti-mining position, contradicted themselves, were internally split, and were motivated by primitive superstition – it is difficult to believe that any negotiations with Aboriginal people concerning mining in Kakadu could be conducted without the ghosts of the past creating suspicion and resentment.

The senior traditional owner of the Jabiluka area is Ms Yvonne Margarula of the Mirrar Gundjehmi clan. She has declared herself to be strongly opposed to the development of the mine. A letter from the NLC to ERA stated: ‘The Aboriginal groups are opposed to ERA’s proposals for changes to mining and milling at Jabiluka

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<sup>3</sup> It might be noted here that the Inquiry took evidence from several senior Aboriginal men from neighbouring language groups, including Mr Willie Jalima Martin, Mr Big Bill Neidji and Mr David Blansi. ‘These men unreservedly supported the Jawoyn who were opposed to mining.’ Mr Neidji ‘spoke of the power of Aboriginal law and the need of Aboriginal people for country rather than money’ (RAC 1991a, p. 178).

and, in particular, the proposal to mill Jabiluka ore at the existing Ranger mill. Indeed, they do not want the Jabiluka mine to proceed at all' (*The Australian* 23 May 1996). If the experience of the Jawoyn is any guide, Ms Margarula is likely to come under extraordinary pressure.

Ms Margarula has argued that the Ranger mine has exacerbated rather than ameliorated social problems among traditional owners (*The Weekend Australian*, June 15-16 1996). In response to suggestions that mining royalties will allow the development of health and educational facilities for her people, she has argued that the rest of Australia gets these as a basic right and is not called upon to give up its land for them.

The Coronation Hill Inquiry cannot shed much light on the issues of the social and economic impacts on local Aboriginal people of the proposed Jabiluka mine since the Inquiry drew on the Ranger experience in an attempt to assess the likely impacts of mining on the Jawoyn. However, the Inquiry did make some observations of direct relevance. The first is that the employment opportunities for local Aboriginal people provided by a new mine are likely to be extremely limited. The Ranger mine employs few Aboriginal people (RAC 1991b, p. 328) and only one of them is a local Aboriginal person, the others arriving from Western Australia ('Background Briefing', *ABC Radio National*, 16 June 1996). The main benefit would appear to derive from the increased money income from royalties. The Inquiry reported that the Gagadju Association has been 'relatively successful so far in terms of its stated objectives', much more so than the Kunwinjku Association set up to disburse royalties from the Nabarlek mine (RAC 1991b, p. 330).

The Commission attached considerable significance to the social implications of a decision to allow mining that would arise from the statement of opposition to the mine from the senior custodians.

If mining were to proceed, one of the impacts would be that these men [the three custodians] will lose face in the Aboriginal community. Their perceived inability to carry out the responsibilities bestowed on them by their fathers and by the Aboriginal community, or to sustain the associated beliefs and practices, could be a source of profound personal grief, self-recrimination and harsh judgment by other Aboriginal people (RAC 1991a, p. 186)

This is why Ms Margarula's public statement of opposition has transformed the situation at Jabiluka markedly.

The Northern Land Council is apparently in favour of the proposed mine. This is puzzling since one of the purposes of land councils is to act on behalf of traditional owners. It has been suggested that the propagation of a politically hostile environment in Aboriginal affairs since the Coalition election victory has created fears amongst some Aboriginal people that hard-won land rights may be watered down. It is believed that imposing obstacles to the Jabiluka mine would add to pressures to withdraw some of these rights. Land councils also receive a substantial share of mining royalties.

Mr Phillip Shirvington, ERA's Chief Executive, made it clear in April that the decision to go ahead with the mine would ultimately depend on whether the traditional owners agreed to it or not. But despite the unequivocal opposition of the traditional owners, ERA has stated that it intends to proceed with the mine, and will act in accordance with the agreement signed in 1982 between the traditional owners and the previous owners of the mining lease, Pancontinental Mining and Getty Oil (*The Age*, 27 May 1996). A company announcement stated that 'ERA intends to act in accordance with that agreement'. The company has indicated that, if pressed, it will revert to the original proposal for the mine, even though it would be much more damaging to the environment. It appears that the mining company has taken the view that the current views of the traditional owners will be ignored if necessary.

The letter from the NLC to ERA, and the company's reaction to it, is of great importance in the context of the process of reconciliation with Aboriginal people, a process which is aimed, among other goals, at finding ways of accommodating differences in aspirations and cultural expectations between Aboriginal and non-Aboriginal Australians. The RAC made some important observations on these questions, quoting from the submission from the Jawoyn Association:

In Aboriginal society, it is impolite to refuse someone — to say 'no'. A refusal, then, is by definition not taken lightly. It is taken with full regard to the consequences and is therefore an emphatically serious statement.

Referring to the mining interests and the governments involved in the Coronation Hill issue over the years, and the media reporting of it, the Jawoyn Association went on to say:

The fact that the forces mentioned above have consistently ignored senior Jawoyn views, and have deliberately ignored such a seriously considered reply is regarded by Jawoyn people as a breach of etiquette and morality, as well as an attack on their authority (RAC 1991a, p. 33).

It would seem that sometimes in Australia we are perhaps more sensitive to the cultural norms of Indonesians than we are to those of Aboriginal people.

#### **4. Economic issues**

Ranged against concerns about the impact of the Coronation Hill mine on the environment and on Aboriginal interests was the potential economic value of the minerals in question. The expected revenue from the mine over the 12 years of its operation was in excess of \$500 million, but the Inquiry reported that net national benefit (measured as the net present value discounted at a rate of 8 per cent) was estimated at \$82 million. This estimate was particularly sensitive to changes in gold prices, gold yields and the exchange rate for the Australian dollar (RAC 1991a, pp. 135-36).

The proposed Jabiluka mine would be much more economically valuable than the proposed Coronation Hill mine. However, there has been some exaggeration of the

benefits. ERA has stated that the ‘economic benefits to Australia are estimated at nearly \$12 billion over the period 1996-2025’ (ERA 1996a, p. 1). This is not accurate; the economic benefit to Australia is properly measured by the net present value of the mine output, not the gross value of exports, and as such is more likely to be in the region of \$1.5-2 billion. These estimates, however, depend heavily on the expected world price of uranium.

It is apparent that the eagerness of ERA to open the Jabiluka mine is based on the current high world price of uranium. Mr Shirvington has been quoted as saying that ‘customers are thumping on the door’ (*The Age*, 26 May 1996). The current (June 1996) spot price for uranium oxide is US\$16.40 per pound, 70 per cent higher than in January 1995 (Uranium Information Centre 1996, p. 1). However, the opening of one or more large mines in Australia may have a depressive effect on the international price. The development of Ranger Orebody Number 3 and the development of the Kintyre mine in Western Australia would increase substantially the volume of uranium on the world market. In addition, Australia is only one of several countries that have had mines on hold waiting for the world price to rise.

Since the original agreement with the traditional owners of Jabiluka was signed in 1982, ownership of the mining lease has changed hands. In 1991, it was bought from Pancontinental by ERA, the owner of the Ranger mine. When the Jabiluka orebody was owned by Pancontinental, an ERA competitor, the position of ERA with respect to the opening of Jabiluka was quite different to its current one. In 1990, the Labor Government was under intense pressure to abandon its three-mines uranium policy. But ERA’s Chief Executive, Mr Richard Knight, spoke out against abandoning the three-mines policy because, he said, a new Australian producer would erode ERA’s profitability (*The Australian*, 23 July 1990). He argued that keeping Jabiluka closed was in the national interest, despite the loss of billions of dollars in export revenue.

One of the arguments put forward most strongly by the mining industry during and after the Commission’s inquiry was that a decision to prevent mining would seriously damage the confidence of the industry so that mining companies would shift their exploration and investment activities off-shore (see AMIC statement in RAC 1991a, p. 237). The Business Council of Australia suggested that a no-mining decision ‘would have a major impact on the national investment climate and would be regarded by many as acting as a precedent for future decisions’ (quoted in RAC 1991a, p. 237). The Commission took the view that any decision to prevent mining at Coronation Hill should properly be regarded as a special case. It took this view based on the following facts (see RAC 1991a, pp. 238-40):

- the Conservation Zone lay within a national park. Some parts of Kakadu were already on the World Heritage List and the Government had stated its intention to nominate Stage 3, the area surrounding the Zone, for World Heritage listing;
- the Zone was Commonwealth land, whereas mining elsewhere in Australia is controlled by State and Territory governments;
- the Zone contained sites of cultural and religious significance to the Jawoyn people;

- the Zone had ‘exceptionally high biological values’;
- the Government had made statements, dating back some years, to the effect that only mining of ‘major economic significance, not merely economic viability’ would be permitted; and
- the Ranger Inquiry had flagged the adoption of the principle of total catchment protection for the South Alligator River catchment.

With the exception of the fact that Jabiluka is not a registered sacred site, most of these factors apply, *mutatis mutandis*, to the proposed Jabiluka mine. The special nature of Jabiluka is reinforced by the fact that it is a uranium orebody the mining of which has hitherto been banned by the Commonwealth. In other words, if the ban on mining were maintained, it would be difficult to argue that it would represent a setback to the industry.

The Commission said that if the Government took a no-mining decision it should make it very clear that the decision should have no bearing on decisions about mining elsewhere.

When the Hawke Government decided to prohibit mining at Coronation Hill, the mining industry was not, on the face of it, inclined to accept the Commission’s view or Government assurances that Coronation Hill was a special case. Among many reactions of outrage, Professor John Burton, a professor of resource management at the University of New England and a consultant to the Joint Venture, wrote that the decision ‘may prove to be disastrous to Australia’s economy’ (Burton 1991, p. 34). Writing in the *Mining Review*, the eminent law professor Colin Howard insisted that the interpretation given by the Commission to Jawoyn views would, if accepted by the Government, ‘set a potentially disastrous precedent’ and that the process by which Jawoyn claims were assessed by the Inquiry ‘could extend fairly rapidly to every corner of Australia, making a mockery of our concepts of property’ (Howard 1991, p. 16). Mr Hugh Morgan, Managing Director of Western Mining Corporation, addressed the Adam Smith Club in the following terms:

The decision on Coronation Hill is not merely bizarre, it is resonant with foreboding. ... [T]his decision will undermine the moral basis of our legitimacy as a nation, and lead to such divisiveness as to bring about political paralysis. .... The implications of it will, inevitably, permeate through the entire body politic, and cause, imperceptibly, like some cancerous intrusion, a terminal disability. .... Like the fall of Singapore in 1942, Coronation Hill was a shocking defeat (Morgan 1991, pp. 35-36).

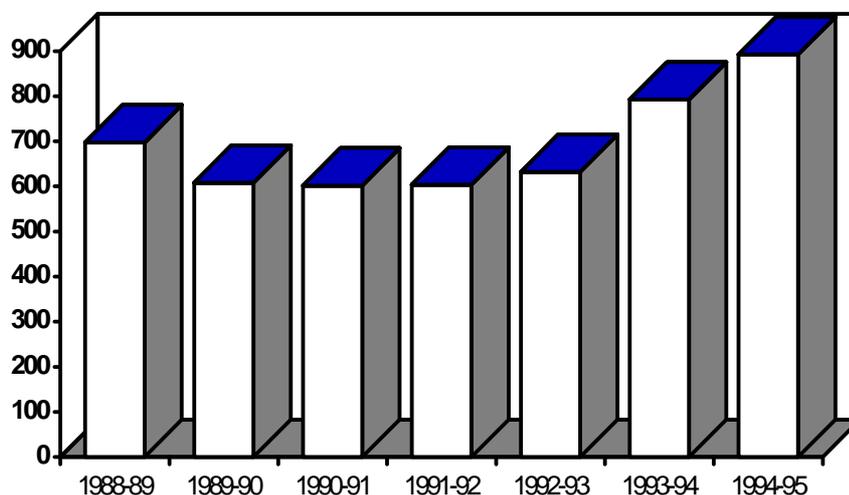
Mr Morgan went on to observe that, by attaching importance to the Jawoyn people’s spiritual beliefs, the Prime Minister, Mr Hawke, ‘seeks to impose his own religious, neo-pagan obsessions on the whole nation’ and called for a counter attack on the religious crazies and green antinomians ‘who threaten our prosperity and eventually our survival’ (Morgan 1991, p. 38).

Mr Morgan may have been exaggerating the likely political and social impacts of the decision. But the possibility of a negative impact on the exploration and investment

activity of the Australian mining industry is worthy of consideration, especially in the light of the frequently made claims by the industry and commentators that a no-mining decision would cause a capital flight. In fact, ABS statistics show that expenditure by the industry on mineral exploration increased in the years following the decision to prohibit mining at Coronation Hill (see Chart 1).

It would appear, therefore, that the Australian mining industry did in fact regard Coronation Hill as a special case and therefore did not withdraw its investments from Australia. Nor did the political apocalypse foreseen by Mr Morgan and Professor Howard come to pass.

**Chart 1 Mineral exploration expenditure in Australia, 1988-89 to 1994-95 (\$m)**



*Source: ABS, Australian Mining Industry 1993-94 (Cat. No. 8414.0)*

## 5. Concluding comments

In summary, then, what are the principal lessons for Jabiluka from the Coronation Hill Inquiry?

First, the economic benefits to Australia from the new mine would be substantial, perhaps in the order of \$1.5-2 billion over the life of the mine. On the other hand, the Jabiluka site is characterised by a number of exceptional circumstances so that a decision to prevent mining would be accepted by the mining industry as a special case and would have no impact on development activities by the mining industry elsewhere in Australia. The funds that would have been spent developing the Jabiluka mine will, in all likelihood, be spent on other mining developments so that the final loss to the economy may be quite small.

Secondly, the environmental impacts of the Jabiluka mine require thorough investigation and evaluation against the standards of risk assessment usually applied in Australia. Judged against those standards, and with commitments from ERA to undertake the necessary works, it is unlikely that such investigation would unearth compelling scientific reasons to prohibit the mine. However, the issue of the integrity of the national park is at the core of environmental objections to mining. Notwithstanding the existence of the Ranger mine, the Jabiluka mine would compromise that integrity in the public mind. It is very likely that a large majority of Australians would be opposed to the mine for this reason.

Finally, the Jabiluka proposal is placing the local Aboriginal people under severe stress. Opposition to mining from traditional owners will open them to attack from various quarters, some of it virulent. It cannot be assumed that the income derived from a new mine would improve the social and economic conditions of the traditional owners. A thorough assessment of the social impacts of Ranger and the likely impacts of Jabiluka is essential. Given the importance of traditional decision making processes in Aboriginal communities, and the expressed opposition to the mine by the senior custodian, the decision on Jabiluka will be an unmistakable test of the new Government's commitment to reconciliation with Aboriginal people.

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